



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 10
1200 Sixth Avenue
Seattle, WA 98101

JUL 29 1999

Reply To
Attn Of: OAQ-107

Mr. Tom Chapple
Alaska Department of Environmental Conservation
410 Willoughby Avenue, Suite 105
Juneau, Alaska 99801-1795

RECEIVED

JUL 30 1999

Re: Cominco Alaska Inc. PSD Permit Issuance

OFFICE OF REGIONAL COUNSEL
EPA - REGION X

Dear Mr. Chapple:

I enjoyed our telephone conversation on Tuesday, July 27, 1999, regarding Cominco's Red Dog Mine PSD Permit. It is always good to hear a cooperative response when we have complex issues at hand. As promised during the call, I am including in this letter EPA's concerns about the proposed permit.

As we discussed, EPA has two major concerns with the proposed permit:


1. ADEC appears to agree that GM-5 and GM-17 are subject to PSD and must employ Best Available Control Technology (BACT). Although ADEC states in its analysis that selective catalytic reduction (SCR), the most stringent level of control, is economically and technologically feasible, ADEC did not propose to require SCR. Instead, ADEC concluded that installation of low NOx burners on all seven generators and fuel injection timing retard (FITR) on some of the generators constituted BACT. EPA disagrees with this conclusion and believes that SCR is BACT for GM-5 and GM-17. As we discussed, once it is determined that an emission unit is subject to BACT, the PSD program does not allow the imposition of a limit that is less stringent than BACT even if equivalent emission reductions are obtained by imposing new controls on other emission units.
2. In its PSD analysis, ADEC failed to consider whether GM-1 and GM-3 through 5 are also subject to PSD and thus to BACT. Based on the existing information, EPA believes these emission units are subject to PSD because they are part of the overall project to increase the capacity of the facility through the removal of the existing restriction on operation of these units (the kilowatt per year restriction).

The National Park Service also raised these issues during the public comment period on the proposed permit.

I am pleased that ADEC is continuing to review information on past PSD permitting actions for the Cominco facility. I also appreciate your commitment to discuss your conclusions with my staff before issuing the permit, which you expect to occur in the next week to ten days. I am confident that we will be able to conclude this project by issuance of a solid PSD permit.

Once you have completed your reconsideration of the PSD issues for the diesel generators, please have your staff contact Doug Hardesty at EPA at (206) 553-6441 to discuss your intended response to EPA's concerns. Please also feel free to call me at (206) 553-2963 if I can be of any further assistance in this matter.

Sincerely,



Anita Frankel, Director
Office of Air Quality

cc: John Notar, NPS